

House Study Bill 603

SENATE/HOUSE FILE _____
BY (PROPOSED DEPARTMENT OF
WORKFORCE DEVELOPMENT
BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to circumstances for employees' right of recourse
2 when an employer is late paying wages.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 5438DP 82
5 ak/nh/8

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1 1 Section 1. Section 91A.3, subsection 3, paragraph b, Code
1 2 Supplement 2007, is amended to read as follows:
1 3 b. If the employer fails to ~~send pay~~ an employee's wages
1 4 ~~for direct deposit~~ on or by the regular payday in accordance
1 5 with this subsection, the employer is liable for the amount of
1 6 any overdraft charge if the overdraft is created on the
1 7 employee's account because of the employer's failure to ~~send~~
1 8 ~~pay~~ the wages on or by the regular payday. The overdraft
1 9 charges may be the basis for a claim under section 91A.10 and
1 10 for damages under section 91A.8.

1 11 EXPLANATION

1 12 This bill expands the circumstances under which an
1 13 employee's overdraft charges that were caused by an employer's
1 14 failure to pay wages timely would be the basis for a wage
1 15 claim under Code chapter 91A to all failures to timely pay
1 16 wages rather than only failures to send wages for direct
1 17 deposit.
1 18 LSB 5438DP 82
1 19 ak/nh/8